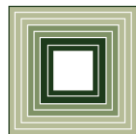


Information Technology Contractors Follow-Up

Joint Legislative Oversight Committee on Information Technology

April 14, 2010



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Agenda

- Additional Agencies
- Contractor Usage
- Summary
- Questions

Additional Agencies

- Department of Insurance
- Department of Crime Control and Public Safety
- Department of Juvenile Justice and Delinquency Prevention
- Department of Cultural Resources*
- Department of Environment and Natural Resources

Contractor Usage

Agency	Number of Contractors	Contractor Cost	State Employee Cost	Longest Employment (Months)
DENR	4	\$294,738	\$334,825	123
CCPS	7	\$554,153	\$683,925	65
DJJDP	1	\$23,230	\$90,000	0
DOI	3	\$10,938	N/A	9

Summary

Issue	Recommendation
Visibility	Continue/update contractor special provision. Conduct review of current contractors.
Agencies hire contractors during hiring freezes.	Include personal service contractors in hiring freezes.
Alternate contracting methods	Standardize procedures for IT contractors (cost, criteria, time limits, hiring process). Establish penalties for agencies not adhering to standards.
Compensation for contractors frequently exceeds what State employees can earn.	Review IT salaries. Limit contractors to comparable State salary.
No penalties for continued use of contractors	Require agencies to transition contractors to State employees on a set schedule, and remove funding if agencies do not meet timelines.

Questions